



DEPARTMENT OF THE NAVY
OFFICE OF THE COMPTROLLER
WASHINGTON, D.C. 20350-1100

IN REPLY REFER TO
NAVCOMPTINST 5292.1
NCD-1
5 May 1986

NAVCOMPT INSTRUCTION 5292.1

From: Comptroller of the Navy

Subj: ESTABLISHMENT OF FINANCIAL EXECUTION REVIEW AND OVERSIGHT
PROCEDURES

Ref: (a) SECNAVINST 5292.1
(b) SECNAVINST 5000.1B
(c) NAVMILPERSCOMINST 1611.1
(d) NAVCOMPT Manual Paragraph 012100
(e) OPNAVINST 7000.19A

Encl: (1) Financial Execution Officer Review Format

1. Purpose. To implement review and oversight procedures within the Office of the Comptroller of the Navy as discussed in reference (a).

2. Background. In 1983, the Secretary of the Navy directed the establishment of Financial Execution Officers (FEOs) on the staffs of Chief of Naval Material (CHNAVMAT) Program Managers (PMs), and Program Management Offices of the Systems Commands (SYSCOMS). The FEOs reported to the PMs and SYSCOM Comptrollers who, in turn, reported to the CHNAVMAT Comptroller. When CHNAVMAT was disestablished, the Comptroller of the Navy by reference (a) was assigned responsibility for review and oversight of FEOs. In addition, reference (a) requires each designated Command/Office Comptroller to report for additional duty to the Comptroller of the Navy and to inform the Comptroller of the Navy of significant emerging and continuing financial execution issues.

3. Policy. The Comptroller of the Navy policy is to maintain the existing FEO reporting system. FEOs throughout the chains of command will provide appropriate Comptrollers with timely information on emerging issues and on problems which will significantly affect program execution and which will require attention outside of the command/office.

4. Procedures

a. Overview. Primary responsibility for review and oversight of FEO program execution is delegated to the Deputy Comptroller of the Navy.

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b. Financial Execution Officers

(1) Designation. To ensure that financial decisions affecting the execution of major programs are surfaced to the proper management levels within DON, all Program Managers (PMs) chartered in accordance with reference (b), and PML-550 (NAVSUPSYSCOM) must have a specifically designated FEO who is responsible for budget execution.

(2) Chain of Command. Individuals assigned FEO duties shall come under the line authority of the Command/Office Comptroller, who will, in the case of civilian FEOs, serve as the rating official for the "critical" merit pay objective(s) dealing with the FEO program. In the case of military FEOs, the Comptroller will submit concurrent fitness reports in accordance with reference (c).

(3) Responsibilities. FEOs will be responsible, in consonance with the business, technical, and programmatic decisions of the PM, for the program's financial execution, reporting to the PM and the Command/Office Comptroller, and recommending alternative funding and allocation plans. When a deviation from approved financial plans is necessary, FEOs shall obtain clearance from the Command/Office Comptroller.

(4) Duties. Specific duties of the FEO will include, at a minimum:

- a. Establishment of funding plans at the appropriate project unit major category code level.
- b. Distribution of funds.
- c. Preparation of obligation plans.
- d. Reporting outlays.
- e. Tracking obligation performance and reporting variances.
- f. Review and clearance of financial documents.

Nothing in this instruction releases the Command/Office Comptrollers from the legal and administrative responsibilities outlined in reference (d).

5. Actions

a. Comptroller of the Navy

(1) Review and oversee financial execution matters. A quarterly briefing schedule will be promulgated by the Deputy Comptroller.

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(2) Submit concurrent military fitness reports in accordance with the provisions of reference (c) and review civilian performance appraisals for the command/office Comptroller designated in reference (a).

(3) Revise NAVCOMPT Manual Volume I to include duties and responsibilities of FEOs.

b. Chief of Naval Operations

(1) Update reference (e) to reflect the FEO responsibilities of the affected Comptroller organizations.

c. Commandant of the Marine Corps

The Fiscal Director of the Marine Corps will provide to the Comptroller of the Navy a quarterly brief on the financial execution of appropriated funds held by CMC.

d. OCNR/SYSCOMS/PMs/NAVDAC

(1) Each designated Comptroller will report to the Comptroller of the Navy for additional duty.

(2) Designate FEOs responsible for budget execution.

(3) Provide the Deputy Comptroller of the Navy with a list of designated FEOs within the Command/Office/PM.

(4) Establish internal FEO policy.

(5) Ensure appropriate position descriptions, military orders, charters, and organization manuals are revised to reflect FEO responsibilities.

(6) Briefings using the format of enclosure (1) will be given by all command/office Comptrollers commencing in July 1986 (for third quarter). Briefings will focus on those items which have a significant enough deviation from plan to require knowledge and/or action outside the individual Command/PM/Office. In this manner, top management will be afforded the opportunity for timely decision making.

6. The actions required should be completed within 60 days after issuance of this instruction. Copies of implementing instructions/notices will be forwarded to the Office of the Comptroller of the Navy, Pentagon, Room 4E768, Code NCD-1.



R H CONN

Distribution:
(See page 4)

NAVCOMPTINST 5292.1

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FINANCIAL EXECUTION OFFICER REVIEW FORMAT

PROGRAM: _____

FEO: _____

APPROPRIATION:FUNDS STATUS:

CY-2		CY-1		CY-	
<u>QTY</u>	<u>AMT</u>	<u>QTY</u>	<u>AMT</u>	<u>QTY</u>	<u>AMT</u>

TOTAL PROGRAM VALUE
(NAVCOMPT FORM 2058)

FUNDS ON ADMINISTRATIVE HOLD

TOTAL ALLOCATED

TOTAL OBLIGATED

TOTAL EXPENDED

FUNDS REQUIRED TO COMPLETE

NET POSITION (+ OR -)

OBLIGATION STATUS:

<u>Appn/ FY</u>	<u>Avail Funds</u>	<u>Obligation Plan</u>		<u>Obligations Date</u>	<u>Variance From Plan</u>	<u>Percent Variance</u>
		<u>FY Plan</u>	<u>Year to Date</u>			

(REPORT ALL UNEXPIRED FUNDS)

OUTLAY STATUS:

<u>Appn/ FY</u>	<u>Avail Funds</u>	<u>Obligation Plan</u>		<u>Obligations Date</u>	<u>Variance From Plan</u>	<u>Percent Variance</u>
		<u>FY Plan</u>	<u>Year to Date</u>			

(REPORT ALL UNEXPIRED FUNDS)

SIGNIFICANT VARIANCES REPORTED ON CONTRACTOR PERFORMANCE REPORTS:NARRATIVE OF PROBLEMS:

Enclosure (1)